

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

FILED
CLERK U.S. DISTRICT COURT
DISTRICT OF DELAWARE

2006 MAR 23 PM 12: 23

SWIMC, INC.
a corporation,

Plaintiff,

v.

FINE PAINTS OF EUROPE, INC.
a corporation,

Defendant.

Case No. 06 194

**COMPLAINT FOR TRADEMARK INFRINGEMENT, FALSE
DESIGNATION OF ORIGIN, UNFAIR COMPETITION, AND DILUTION**

PARTIES AND JURISDICTION

1. Plaintiff, SWIMC, Inc., is a Delaware corporation with its principal place of business in Wilmington, Delaware ("SWIMC").

2. Defendant, Fine Paints of Europe, Inc., on information and belief, is a New York corporation with its principal place of business in Woodstock, Vermont.

3. This court has jurisdiction because: (a) this is an action brought under the Trademark Laws of the United States (15 U.S.C. §§ 1051, *et seq.*), jurisdiction being conferred in accordance with 15 U.S.C. § 1121 and 28 U.S.C. § 1338(a); (b) this action includes claims of unfair competition joined with a substantial and related claim arising under the Trademark Laws of the United States, jurisdiction being conferred in accordance with 28 U.S.C. § 1338(b); (c) this is a civil action between citizens of different states in which the value of the amount in controversy exceeds seventy-five thousand dollars (\$75,000.00), exclusive of interest and costs, jurisdiction being conferred in accordance with 28 U.S.C. § 1332; and (d) this action includes claims that are so related to claims within such original jurisdiction that they form part of the




same case or controversy, supplemental jurisdiction being conferred in accordance with 28 U.S.C. § 1367.






4. Venue is proper in this Court under 28 U.S.C. § 1391(b).


FACTS

5. For many years, and long prior to the acts of defendant complained of herein, SWIMC, its licensees and its predecessors-in-interest have been engaged in the manufacture, distribution, advertising and sale of paint and paint-related products in commerce throughout the United States under certain trademarks involving the likeness of a “stylized Dutch Boy” and/or the words “Dutch Boy” (the “DUTCHBOY trademarks”).

6. SWIMC owns federal registrations for its DUTCHBOY marks, including the following:

Mark	Appl/Reg. No.	Filing/Reg. Date	Goods/Services
	383,644	12/17/40	Paint and varnish brushes
	383,848	12/24/40	Paint and varnish brushes
	1,138,132	07/29/80	Paints
DUTCH BOY	1,138,549	08/12/80	Paints

Mark	Appl/Reg. No.	Filing/Reg. Date	Goods/Services
	1,161,535	07/21/81	Paints
Dutch Boy 	1,566,662	11/21/89	Clear and pigmented coatings in the nature of paint
	1,668,160	12/17/91	Clear and pigmented coatings used in the nature of paint
	1,798,998	10/19/93	Clear and pigmented coatings used in the nature of paint
Dutch Boy	1,990,177	07/30/96	Paper goods and printed matter, namely, pens; Fabrics, namely sports towels; Clothing, namely jackets, shirts and caps
Dutch Boy 	1,995,725	08/20/96	Paper goods and printed matter, namely, pens; Fabrics, namely sports towels; Clothing, namely jackets, shirts and caps; Toys and playthings, namely golf balls, golf kits comprised of ball markers, tees and bag tags and flying discs
DUTCH BOY	2,524,224	01/01/02	Paint color cards
Dutch Boy	2,529,143	01/15/02	Paint color cards

Mark	Appl/Reg. No.	Filing/Reg. Date	Goods/Services
	2,535,631	02/05/02	Paint color cards

7. All of the above-referenced registrations are valid and subsisting. Registration Nos. 383,644, 383,848, 1,138,132, 1,138,549, 1,161,535, 1,566,662, 1,668,160, 1,798,998, 1,990,177, and 1,995,725 are incontestable in accordance with 15 U.S.C. §§ 1064 and 1115(b), and are conclusive evidence of the exclusive right to use the DUTCHBOY trademarks in connection with the registered goods. 15 U.S.C. § 1115(b).

8. SWIMC, its licensees and its predecessors-in-interest have sold many millions of dollars of worth of paint and paint-related products under its DUTCHBOY marks in the United States and has spent substantial sums in advertising its products under the DUTCHBOY marks, including advertising on the Internet web site of one of its licensees located at www.dutchboy.com.

9. As a result of such extensive sales and advertising, the DUTCHBOY marks have become famous in the United States.

10. As a result of such extensive sales and advertising, the DUTCHBOY marks represent extraordinarily valuable goodwill in the United States.

Defendant's Business and Infringing Activities

11. Defendant is engaged in the sale of paint and paint-related products.

12. Upon information and belief, on or around June 2002, defendant began the sale and advertising of paints under the trademark DUTCHLAC.

13. Defendant has applied to register the following trademark with the United States Patent and Trademark Office:

Trademark	Appl. No.	Filing Date	Goods/Services
DUTCHLAC	76/432,624	July 18, 2002	Interior and exterior enamel paint

14. On May 28, 2003, SWIMC instituted an opposition proceeding against defendant's Application Serial No. 76/432,624 for DUTCHLAC (Opposition No. 91/156,652), and Trademark Trial and Appeal Board has suspended this proceeding through April 23, 2006.

15. Defendant prominently features the DUTCHLAC mark in its product packaging, advertising and promotional materials, including on its Internet web site located at *www.finepaintsofeurope.com* on which defendant advertises and promotes its paint and paint-related products.

16. On information and belief, defendant began use of the DUTCHLAC name and mark with full knowledge of SWIMC's extensive use of its DUTCHBOY mark and the fame of the mark.

17. Defendant's aforesaid activities are without the consent of SWIMC.

COUNT I

(INFRINGEMENT OF FEDERALLY REGISTERED TRADEMARKS)

18. SWIMC re-alleges paragraphs 1 through 17, as if fully set forth herein.

19. Defendant's acts are likely to cause confusion, mistake or deception as to the source or origin of defendant's products in that purchasers and others are likely to believe that defendant or defendant's products are sponsored by, or connected or affiliated with SWIMC or the DUTCHBOY products.

20. Defendant's acts constitute trademark infringement in violation of 15 U.S.C. §1114.

21. Defendant's acts greatly and irreparably damage SWIMC, and will continue to damage SWIMC unless restrained by this Court; therefore, SWIMC is without an adequate remedy at law.

COUNT II

(FALSE DESIGNATION OF ORIGIN AND UNFAIR COMPETITION)

22. SWIMC re-alleges paragraphs 1 through 17 as if fully set forth herein.

23. Defendant's acts constitute a false representation and a false designation of origin, which likely have caused and are likely to cause confusion, mistake or deception, in violation of Section 43(a) of the United States Trademark Act, 15 U.S.C. § 1125(a).

24. Defendant's actions greatly and irreparably damage SWIMC, and will continue to damage SWIMC unless restrained by this Court; therefore, SWIMC is without an adequate remedy at law.

COUNT III

**(TRADEMARK INFRINGEMENT AND UNFAIR COMPETITION UNDER
DELAWARE STATUTORY AND COMMON LAW)**

25. SWIMC re-alleges paragraphs 1 through 17, and 19, as if fully set forth herein.

26. Defendant's acts constitute an unfair and deceptive business practice in violation of the Uniform Deceptive Trade Practices Act, 6 Del. C. § 2531 *et. seq.*, and trademark infringement and unfair competition in violation of the common law of various states, including Delaware.

27. Defendant's acts greatly and irreparably damage SWIMC, and will continue to damage SWIMC unless restrained by this Court; therefore, SWIMC is without an adequate remedy at law.

COUNT IV

(FEDERAL TRADEMARK DILUTION)

28. SWIMC realleges Paragraphs 1 through 17, as though fully set forth herein.

29. Defendant's use of a DUTCHLAC is causing or is likely to cause dilution of the distinctive quality of SWIMC's strong and famous DUTCHBOY mark.

30. Defendant's aforesaid acts constitute trademark dilution in violation of Section 43(c) of the Lanham Act, 15 U.S.C. § 1125(c).

31. Defendant's acts are greatly and irreparably damaging to SWIMC and will continue to damage SWIMC unless enjoined by this Court; therefore, SWIMC is without an adequate remedy at law.

COUNT V

(TRADEMARK DILUTION UNDER DELAWARE LAW)

32. SWIMC realleges Paragraphs 1 through 17, as though fully set forth herein.

33. Defendant's use of a DUTCHLAC is causing or is likely to cause dilution of the distinctive quality of SWIMC's strong and famous DUTCHBOY mark.

34. Defendant's aforesaid acts constitute trademark dilution in violation of the Delaware Trademark Act, 6 Del. C. § 3313.

35. Defendant's acts are greatly and irreparably damaging to SWIMC and will continue to damage SWIMC unless enjoined by this Court; therefore, SWIMC is without an adequate remedy at law.

WHEREFORE, SWIMC prays that:

1. Defendant, its officers, agents, servants, employees and attorneys, representatives, successors and assigns, and any and all persons acting by, through or under authority of defendant, be permanently enjoined and restrained from:

a. using the trademark DUTCHLAC, or any colorable imitation of SWIMC's DUTCHBOY marks, or any name or mark that is confusingly similar to DUTCHBOY;

b. doing any act or engaging in any conduct that is likely to dilute or diminish the value and goodwill owned by SWIMC in its DUTCHBOY marks; and

c. doing any other act or thing likely to induce the belief that defendants' business or products are in any way connected with SWIMC's business or products, or are sponsored approved by SWIMC's.

2. Defendant be required:

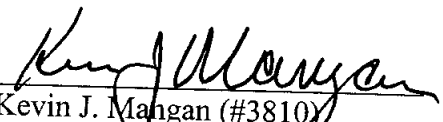
a. to account for and pay over to SWIMC all gains, profits, enrichments, and advantages wrongfully derived by defendant through its trademark infringement, false designation of origin and unfair competition, including prejudgment interest, in accordance with 15 U.S.C. § 1117 (a) and the laws of the State of Delaware;

b. to pay over to SWIMC the actual damages suffered by SWIMC through defendant's trademark infringement, false designation of origin and unfair competition, including prejudgment interest, in accordance with 15 U.S.C. § 1117 (a) and the laws of the State of Delaware;

c. to pay to SWIMC three times the damages suffered by SWIMC by reason of intentional and unlawful acts of defendant, in accordance with 15 U.S.C. § 1117 (a);

- d. to pay to SWIMC punitive and exemplary damages for defendant's deliberate and willful trademark infringement, false designation of origin and unfair competition;
 - e. to pay to SWIMC the costs of this action, including reasonable attorneys' fees, as provided in 15 U.S.C. § 1117;
 - f. to abandon all trademark applications and registrations for marks containing or consisting of DUTCHLAC and any marks confusingly similar to the DUTCHBOY marks; and
 - g. file with this Court and serve on counsel for SWIMC within thirty (30) days after entry of an injunction issued by this Court, a sworn written statement as provided in 15 U.S.C. § 1116.
3. Awarding SWIMC such further relief as this Court deems just and equitable.

MONZACK and MONACO, P.A.


Kevin J. Mangan (#3810)
1201 North Orange Street, Suite 400
Wilmington, DE 19801
(302) 656-8162

and

PATTISHALL, McAULIFFE, NEWBURY,
HILLIARD & GERALDSON LLP
Raymond I. Geraldson, Jr.
Thad Chaloeontiarana
Angela K. Steele
311 South Wacker Drive, Suite 5000
Chicago, Illinois 60606
(312) 554-8000

Counsel for SWIMC, INC.

CIVIL COVER SHEET

06 104

JS 44 (Rev. 11/04)

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS

SWIMC, INC.

(b) County of Residence of First Listed Plaintiff NEW CASTLE, DE
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorney's (Firm Name, Address, and Telephone Number) KEVIN J. MANGAN
MONZACK AND MONACO, 1201 N. Orange Street,
Suite 400, Wilmington, DE 19801; 302

DEFENDANTS

FINE PAINTS OF EUROPE, INC.

County of Residence of First Listed Defendant
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE
LAND INVOLVED.

Attorneys (If Known) Charles E. Baxley, Esq., and
James F. Baxley, Esq., hart, Baxley, Daniels &
Holton, 90 John St., 3rd Fl., New York, NY 10036

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff ☒ 3 Federal Question (U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant ☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | | | | | |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| | PTF | DEF | | PTF | DEF |
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	PERSONAL INJURY <input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input checked="" type="checkbox"/> 840 Trademark
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition	LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609
				<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes

V. ORIGIN

- (Place an "X" in One Box Only)
- ☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from another district (specify) ☐ 6 Multidistrict Litigation ☐ 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

15 U.S.C. Sections 1051, et seq.

Brief description of cause:

Complaint for Trademark Infringement, false designation of origin

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION DEMANDS CHECK YES only if demanded in complaint:
 UNDER F.R.C.P. 23 Injunctive and monetary damages JURY DEMAND: ☐ Yes ☒ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE

DOCKET NUMBER

DATE

3/23/06

SIGNATURE OF ATTORNEY OF RECORD

Kevin J. Mangan

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

AO FORM 85 RECEIPT (REV. 9/04)

United States District Court for the District of Delaware

Civil Action No. 06-104

ACKNOWLEDGMENT
OF RECEIPT FOR AO FORM 85

NOTICE OF AVAILABILITY OF A
UNITED STATES MAGISTRATE JUDGE
TO EXERCISE JURISDICTION

I HEREBY ACKNOWLEDGE RECEIPT OF 2 COPIES OF AO FORM 85.

3/23/06

(Date forms issued)

Bryan J. Davis

(Signature of Party or their Representative)

Bryan J. Davis

(Printed name of Party or their Representative)

Note: Completed receipt will be filed in the Civil Action